

**Home Telephone Company**  
**LOCAL NUMBER PORTABILITY DATA SUMMARY**

	Initial LNP Start-Up Cost	Year 1	Year 2	Year 3	Year 4	Year 5	Total LNP Cost Projections
<b>INVESTMENTS</b>							
LNP Software	\$ 20,992	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,992
OSS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Voice Announcements	\$ 19,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,463
Switch Translations	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000
LNP Hardware	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000
LNP Transport Hardware	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>EXPENSES</b>							
Query	\$ -	\$ 316	\$ 369	\$ 422	\$ 474	\$ 527	\$ 2,108
Transport and Transit	\$ -	\$ 4,912	\$ 5,731	\$ 6,550	\$ 7,369	\$ 8,187	\$ 32,749
Regulatory/Legal/Admin/Order Processing	\$ 20,000	\$ 2,126	\$ 2,021	\$ 2,021	\$ 2,021	\$ 2,021	\$ 30,210
Employee Education	\$ 21,230	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 22,730
Technical Trouble	\$ 10,000	\$ 3,750	\$ 3,750	\$ 3,750	\$ 3,750	\$ 3,750	\$ 28,750
Customer Education	\$ 1,574	\$ 1,479	\$ 1,463	\$ 1,448	\$ 1,432	\$ 1,416	\$ 8,812
<b>Sub-Totals</b>	\$ 103,259	\$ 12,884	\$ 13,634	\$ 14,490	\$ 15,346	\$ 16,202	\$ 175,814
Present Value Factors	100.0000%	89.8876%	80.7979%	72.6273%	65.2830%	58.6813%	
<b>Present Value Total Cost Projections</b>	<b>\$ 103,259</b>	<b>\$ 11,581</b>	<b>\$ 11,016</b>	<b>\$ 10,524</b>	<b>\$ 10,018</b>	<b>\$ 9,507</b>	<b>\$ 155,905</b>
<b>Access Lines</b>							<b>711</b>
<b>Months</b>							<b>60</b>
<b>Annual Expense per subscriber per month</b>							<b>\$ 3.66</b>

1 Unless otherwise indicated, all data is from year-end 2002:

2	<b>Home Telephone Company</b>	<b>341032</b>
3	<b>I-CO Data</b>	
4	PBX Lines	0
5	ISDN-PRI Lines	0
6	Other Access Lines	1,049
7	Equipped Lines	5,248
8	Local MOU- Tandem 1	8,494,869
9	Local MOU- Tandem 2	-
10	Number of Employees	11
11	Number of End Offices Requiring Translations	1
12	RIC	\$ -
13	Tandem Switched Transport	\$ 0.004520
14		
15	<b>Tandem 1 Transiting Rates</b>	
16	Tandem Switching	\$ 0.004836
17	Tandem Transport	\$ 0.000189
18	Tandem Transport Facility	\$ 0.000093
19		
20	<b>Tandem 2 Transiting Rates</b>	
21	Tandem Transiting	-
22	Tandem Transport	-
23	Tandem Transport Facility	-
24		
25	<b>Assumptions</b>	
26	Average Holding Time Per Local Call	5.00
27	LNP Query Charge	\$ 0.003102
28	Present Value Factor, Year 1	0.89888
29	Present Value Factor, Year 2	0.80798
30	Present Value Factor, Year 3	0.72627
31	Present Value Factor, Year 4	0.65283
32	Present Value Factor, Year 5	0.58681
33	Wireless Penetration, Year 1	6%
34	Wireless Penetration, Year 2	7%
35	Wireless Penetration, Year 3	8%
36	Wireless Penetration, Year 4	9%
37	Wireless Penetration, Year 5	10%
38	Regulatory/Legal Fee Per Hour	\$ 200
39	Regulatory/Legal Hours, Year Zero	100
40	Customer Education, Cost Per Mailing	\$ 0.75
41	Customer Education, Number of Mailings Per Year	2
42	Employee Education, Cost Per Employee	\$ 300.00
43	Employee Education, Number Of Employees Per Year, 1-5	1
44	Cost Per Translation Per Office	\$ 3,000
45	Technical Cost Per Hour	\$ 50.00
46	Technical Hours, Year Zero	200
47	Technical Hours Per Year, 1-5	75
48	LNP Administration, Annual Fee	\$ 2,000
49	LNP Port Fee Per Ported Number	\$ 2.00
50	Software Cost Per Wired Line	\$ 4.00
51	Number of Employees Needing Technical Training	2
52	Cost Per Technical Training Per Employee	8,965

# LOCAL NUMBER PORTABILITY DATA FOR DEVELOPMENT OF LNP END USER AND QUERY CHARGES

COMPANY NAME	Home Telephone Company
STUDY AREA NUMBER	341032

AVERAGE MONTHLY LINES		YEAR				
	0 (Current)	1	2	3	4	5
1. PBX	0	0	0	0	0	0
2. ISDN-PRI	0	0	0	0	0	0
3. Other (Sum of Residential, Single Line Business, Multiline Business, Centrex)	1,049	986	976	965	955	944
3a TOTAL	1,049	986	976	965	955	944
3b Present Value Access Line	1,049	886	788	701	623	554

INVESTMENTS		YEAR				
	0 (Current)	1	2	3	4	5
4. Software Upgrades Total: (Please also itemize below, and provide descriptions in the right-most column)	\$46,455	\$0	\$0	\$0	\$0	\$0
4a. LNP Software	\$20,992					
4b. OSS	\$0					
4c. Voice Announcements	\$19,463					
4d. Switch Translations	\$6,000					
5. Hardware & Other (Please list items below)						
5a. LNP Hardware	\$4,000					
5b. LNP Transport Hardware						
5c.						
5d.						
TOTAL	\$50,455	\$0	\$0	\$0	\$0	\$0

EXPENSES (Maintenance etc.)		YEAR				
	0 (Current)	1	2	3	4	5
6. Please list items below						
6a. Regulatory/Legal/Admin/Order Processing	\$20,000	\$2,126	\$2,021	\$2,021	\$2,021	\$2,021
6b. Employee Education	\$21,230	\$300	\$300	\$300	\$300	\$300
6c. Technical Trouble	\$10,000	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750
6d. Customer Education	\$ 1,574	\$ 1,479	1463	\$ 1,448	\$ 1,432	\$ 1,416
TOTAL	\$52,804	\$7,655	\$7,534	\$7,519	\$7,503	\$7,487

## 1 Home Telephone Company

2 Transport Costs - Tandem 1

Year	Transit & Transport Expense
1	\$ 4,912
2	\$ 5,731
3	\$ 6,550
4	\$ 7,369
5	\$ 8,187
Total	\$ 32,749

11 Transport Costs - Tandem 2

Year	Transit 7 Transport Expense
1	\$ -
2	\$ -
3	\$ -
4	\$ -
5	\$ -
Total	\$ -

20 Query Dip Charges

Year	Query Charge
1	\$ 316
2	\$ 369
3	\$ 422
4	\$ 474
5	\$ 527
Total	\$ 2,108

Item	units	Per Unit Cost	Total	Comments
4a. LNP Software	5,248	\$ 4	\$ 20,992	The LNP price would be based on the number of equipped lines that in the DMS-10 office, direct interface GR-303 lines and remotes. Also the charge increases as the number of equipped lines increase in the DMS-10 area. There is a secondary offer in which we base the price on 130% of the total number of customers in a DMS-10 complex. Either way the price per line is \$4.00. Wired lines 1120 per bay. Jim Trier, Nortel Networks, 847-706-8156
4c. Voice Announcements	1	\$ 19,463	\$ 19,463	Home voice announcement equipment (cognitronics) required upgrades to include special announcements related to number portability. The ANI announcements needed for LNP were not currently available in Home announcement equipment. Home allocated 100% of the total upgrade to LNP, since Home had adequate voice announcement equipment in service prior to the LNP requirement.  The DMS-10 HSO, SSO or SA office must be at 410.10 generic or higher and have SS-7 functionality activated. LNP feature software is price at \$4.00 per equipped line. This would include any local line packs, remotes or DLC interfaces (GR-303/TR-08) locations that are shown in the switch as equipped lines.  Also LNP translation can be difficult so I recommend that you also engage Nortel to help support the translation requirements. The service charge for this runs about \$3,000 per office. (HSO,SSO or SA)  If you have any questions please give me a call.
4d. Switch Translations	1	\$ 3,000	\$ 3,000	Thanks Jim Trier Nortel Sales 847-706-8156
4d. Switch Translations	30	\$ 100	\$ 3,000	In addition to the above charges from NT, Home will have a minimum of two people present during the conversion process (one Home and one CCE). Based on Home conversations with Charlie Watts @ CCE it was determined that the testing and verification process related to the Nortel perform translations would run another \$3,000 per host office.
5. Hardware & Other (Please list items below)				Feature cost associated with generic load. I (Jim T.) have gone back into the records in Schaumburg and have look at the 1999 jobs. The file on these jobs does not contain a copy of the equipment list. I have sent a request to Raleigh to pull the Worden jobs for 1999 to see if there is any indication of the equipment purchase on these jobs. I have pulled the following H numbers for jobs that were done around that time in Worden. ( HG9508,HH71452, HH7142)  Did you guys own Staunton back in 1999? LNP is sold by the equipped line. LNP pricing would have been provided on the DMS-10's separately. Thus if the LNP was purchased in 1999 for Worden and Staunton was not part of the network we could assume that the LNP in Staunton was not purchase at that time. That's just a secondary area that needs to be checked. Hopefully we will be able provide you a answer sometime next week.  If you have any questions please give me a call.
5a. LNP Hardware	1	\$ 4,000	\$ 4,000	Jim Trier Nortel Networks 847-706-8156
5d.				

Item		units	Per Unit Cost	Total	Comments	
<b>EXPENSES</b>						
6.	Please list items below					
6a.	Regulatory/Legal/Admin/Cust Svc	yr1	100.00	\$ 200	\$ 20,000	Projected 100 hours of regulatory/legal at a composite average billing rate of \$200/hour.  Annual Fee charged by GVNW for LNP administration is \$2,000 and per port fee charged by GVNW is \$2
	yr1-5	asr orders	5.00	\$ 2,000.00	\$ 10,000	
	yr1		63	\$ 2.00	126	
	yr2-5		42	\$ 2.00	84	
					\$ 10,210	
6b.	Employee Education	Tech	2.00	\$ 8,965	\$ 17,930	NT Training class DMS-10 club (details sent under separate cover
		Others	11.00	\$ 300	\$ 3,300	Estimated training cost for non-technical employees.
6c.	Technical Support/Processing/Trouble	tech	200.00	\$ 50	\$ 10,000	Estimated Technical labor hours for trouble, and support of LNP
			75.00	\$ 50	\$ 3,750	
6d.	Customer Education		1,049.00	\$ 0.75	\$ 1,574	Home based on previous pre-prepared mail pieces estimated the cost of \$0.75 per customer per mailing. WE projected that we would run two notices per year. Total changes in years 2-5 as access lines changes